



PRESS RELEASE

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FORMER LAW ENFORCEMENT OFFICER AND SPOUSE INDICTED ON THEFT OF FEDERAL FUNDS AND TAX CHARGES

TUCSON, ARIZONA -- The United States Attorney's Office for the District of Arizona announced that on December 17, 2003, a federal grand jury at Tucson, Arizona, returned a 32 count indictment against FEBRONIO STEVEN MUNOZ, 50, of Tucson, Arizona and a 10 count indictment against his spouse, EMILY O. MUNOZ, 49, of Tucson, Arizona.

The indictment alleges MUNOZ, AKA Steve Munoz, was employed by the Tucson Police Department, and detailed to Metropolitan Area Narcotics Trafficking Interdiction Squad ("MANTIS"). MANTIS is a law enforcement task force comprised of various law enforcement agencies in the Tucson, Arizona metropolitan area, including the Tucson Police Department. As part of their functions and duties, law enforcement officers assigned to MANTIS regularly arrest individuals for possession of and trafficking in narcotics. Also as part of their functions and duties, law enforcement officers assigned to MANTIS regularly seize property involved in the possession of and trafficking in narcotics, including large amounts of currency. From approximately June 1994 until approximately May 2001, the indictment alleges

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MUNOZ was assigned to work in the Financial Remedies Squad at MANTIS as a "forfeiture officer" except for a six month period from approximately May 1998 to approximately October 1998 when he was assigned other duties at MANTIS.

It is alleged MUNOZ's duties as a forfeiture officer of the Financial Remedies Squad at MANTIS included maintaining custody of property seized during investigations, including currency; counting seized currency; preparing "count sheets" denoting the type and total amount of currency seized; depositing the seized currency into the MANTIS account maintained by the City of Tucson Collections Department; obtaining a "F" or sub-account number assigned to the deposit by the Budget Office of Tucson Police Department; and receiving a deposit slip noting the account number from the City of Tucson Collections Department. MUNOZ'S duties as a member of the Financial Remedies Squad at MANTIS also included placing the count sheet and deposit slip for each currency seizure into the respective MANTIS case file to document that the currency was deposited into the MANTIS account maintained by the City of Tucson Collections Department; completing, for each forfeiture case, a work sheet, a request for forfeiture form and an accompanying affidavit for submission to the Pima County Attorney's Office in order to permit forfeiture proceedings to commence; and to close out the MANTIS case file if forfeiture was ordered by the courts.

The indictment alleges that during the period from approximately October 1997 until approximately April 2001, approximately \$615,000 in currency seized in 56 cases where MUNOZ was the forfeiture officer or an assisting officer was never deposited into the MANTIS account at the City of Tucson Collections Department. In 52 of these 56 cases, MUNOZ was allegedly the forfeiture officer.

MUNOZ retired from Tucson Police Department shortly after his superiors at MANTIS commenced an audit of the forfeiture files to determine why deposits of numerous currency seizures into the MANTIS account at the City of Tucson Collections Department had not occurred.

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The indictment alleges the following crimes: 1) On twenty-two (22) occasions during the time period January 1999 through April 2001, FEBRONIO STEVEN MUNOZ, did intentionally and knowingly embezzle, steal, obtain by fraud and otherwise without authority convert to the use of MUNOZ and EMILY O. MUNOZ, his spouse, who are persons other than the rightful owner, property (currency) valued at over \$5,000, in violation of U.S.C. Sections 666(a)(1)(A) (Theft From Organization Receiving Federal Funds) and 2 (Aid & Abet). The amounts allegedly stolen exceeded \$527,000 in the aggregate. These amounts were owned by or under the care, custody, and control of MANTIS.

2) On five (5) occasions during the time period August 1999 through August 2000, MUNOZ and his spouse, EMILY O. MUNOZ, allegedly transported currency which had been stolen, converted, or taken by fraud, to Las Vegas, Nevada from Tucson, Arizona, in violation of 18 U.S.C. Section 2314 (Interstate Transportation Of Stolen Property). The amounts taken to Las Vegas, Nevada in the aggregate, exceeded \$69,000.

3) For the years 1997 through 2001, inclusive, MUNOZ and his spouse, EMILY O. MUNOZ, allegedly willfully subscribed and filed false Form 1040, U.S. Individual Income Tax Returns, with the Internal Revenue Service Center in Ogden, Utah, by understating their total income on line 22 of each respective return, in violation of Title 26 Section 7206(1).

A conviction for Title 26 USC 7206(1) carries a maximum penalty of three years, a \$250,000.00 fine or both. A conviction for Title 18 USC 666(a)(1)(A) or Title 18 USC 2314 carries a maximum penalty of ten years, a \$250,000 fine or both.

An indictment is simply the method by which a person is charged with criminal activity, and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

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The investigation preceding the indictment was conducted by special agents of Criminal Investigation at the Internal Revenue Service, the Federal Bureau of Investigation, the Pima County Sheriff's Office, and the Tucson Police Department.

The prosecution was handled by Danny N. Roetzel, Assistant United States Attorney, District of Arizona, Tucson, Arizona.

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